

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1366.
FILED, NOVEMBER 18th. 1965.

THE CONIAGAS MINES, LIMITED

Full corporate name of Company

Incorporated under the Ontario Companies Act by Letters Patent issued on November 24th, 1906, amended by Supplementary Letters Patent issued under the Ontario Companies Act June 5th, 1928 and under the Corporations Act August 16th, 1955, and July 2nd, 1965.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous Filing Statement No. 762 and Amending Filing Statement No. 147

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	The offer by the company and its wholly owned subsidiary, The Coniagas Reduction Company Limited, to the shareholders of the Company of the right to subscribe at a price of 75¢ per share for one new share for each six shares held. Houston & Company Limited acting for and on behalf of its client Lanson Holdings Limited has agreed to purchase any shares not subscribed for by shareholders.								
2. Head office address and any other office address.	Room 903, 330 Bay Street, Toronto 1, Ontario.								
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>M.J. Boylen, Director, Chairman of the Board, 35 Kingsway Crescent, Toronto, Mining Executive with this and many other companies for the past five years.</p> <p>C.S. Kennedy, Director, President, 400 Walmer Road, Toronto 10, Ontario, Chartered Accountant. Executive with this and other companies for the past five years.</p> <p>R.J. Isaacs, Director, Vice-President, 419 The Kingsway, Toronto, Ontario. Mining Engineer with this and other mining companies for the past five years.</p> <p>Montalieu Nesbitt, Q.C., Director, 257 Light Street, Woodstock, Ontario. Practicing Solicitor for the past five years.</p> <p>D.G. Ross, Director, 34 Whitney Avenue, Toronto, Ontario. Stock Broker, Senior Partner of Ross Knowles & Company for the past five years.</p> <p>D.W. Gordon, Secretary-Treasurer of this and other companies for the past five years.</p>								
4. Share capitalization showing authorized and issued and outstanding capital.	<table> <tr> <td>Authorized capital</td><td>-3,000,000 shares of no par value</td></tr> <tr> <td>Issued and outstanding capital</td><td>-2,655,000 shares of no par value</td></tr> <tr> <td>Owned by the company's wholly owned subsidiary, The Coniagas Reduction Company Limited</td><td>- 97,256 shares of no par value</td></tr> <tr> <td>Leaving in the hands of other shareholders</td><td>-2,557,744 shares of no par value</td></tr> </table>	Authorized capital	-3,000,000 shares of no par value	Issued and outstanding capital	-2,655,000 shares of no par value	Owned by the company's wholly owned subsidiary, The Coniagas Reduction Company Limited	- 97,256 shares of no par value	Leaving in the hands of other shareholders	-2,557,744 shares of no par value
Authorized capital	-3,000,000 shares of no par value								
Issued and outstanding capital	-2,655,000 shares of no par value								
Owned by the company's wholly owned subsidiary, The Coniagas Reduction Company Limited	- 97,256 shares of no par value								
Leaving in the hands of other shareholders	-2,557,744 shares of no par value								
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	There are no bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.								
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	On the basis set forth in Item 1 hereof, a total of 426,290 shares are being offered to the shareholders other than The Coniagas Reduction Company Limited, 329,034 from the company's treasury and the balance 97,256 shares from The Coniagas Reduction Company Limited. Houston and Company Limited, on behalf of their client, Lanson Holdings Limited, have undertaken to purchase all of the shares which are not subscribed and paid for by shareholders pursuant to the foregoing offer. There are no other underwriting sale or option agreements, either existing or proposed.								

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	M.J. Boylen, 35 Kingsway Crescent, Toronto, is the controlling shareholder of Lanson Holdings Limited.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	There are no payments in cash or securities of the company, made or to be made to any promoter in connection with the underwriting.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The company plans to use the proceeds of the present offering for further development and exploration of it's Bachelor Lake mine or on any other promising properties that may be brought to the company's attention. However, any such use of the proceeds will be reported to the Stock Exchanges. The company's interest in the Bachelor Lake area approximates 10,000 net acres, all geologically favourable for the deposition of ore of which only an infinitesimal amount has been partially tested for ore occurrences. This large area is the primary target of exploration, but the company will be open to investigate any other potential ore bearing area available to it. The proceeds of the rights offering and standby underwriting will not be used for any other purpose without first filing notice with the stock exchanges upon which the shares of the company are listed.
10. Brief statement of company's chief development work during past year.	<p>Since the 1st of January 1965, the company has carried out the following underground development</p> <p>Cross-cutting and Drifting - 3,711 feet Raising - 1,998 feet Diamond Drilling - 41,598 feet</p> <p>and as well an induced polarization survey over a substantial part of the property.</p>
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	None
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not Applicable
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	None
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>The five largest registered shareholders are as follows:-</p> <p>Houston & Company, 335 Bay Street Toronto 1, Ontario. - 399,800 shares</p> <p>K.C. Irving Limited, P.O. Box 1421, St. John, New Brunswick - 170,500 shares</p> <p>Goulding, Rose & Turner Limited, 11 King Street W., Toronto 1, Ontario. - 165,000 shares</p> <p>Ransco & Company, 44 King Street W., Toronto 1, Ontario. - 87,500 shares</p> <p>G.W. Nicholson & Company Limited 67 Richmond Street W., Toronto, Ontario. - 77,800 shares</p> <p>The names of the beneficial owners, if other than as registered, are not known to the company, except that 220,200 of the shares registered in the name of Houston & Company are beneficially owned or controlled by the Chairman of the Board of the company.</p>

FINANCIAL STATEMENTS

THE CONIAGAS MINES, LIMITED

(Incorporated under the Corporations Act - Ontario)

and its wholly-owned subsidiary
The Coniagas Reduction Company Limited
(Incorporated under the Canada Corporations Act)

Consolidated Balance Sheet as at September 30, 1965

- ASSETS -

Current Assets

Cash	\$	44,035
Metal settlements outstanding at estimated value		221,410
Refundable diesel oil taxes		115,548
Other accounts receivable		15,067
Inventory of lead concentrate at estimated sale value		165,549
Mining stores and supplies at lower of cost or market		137,560
Prepaid expenses		11,692
		<u>710,861</u>

Investments

Corporation bonds at cost plus accrued interest (quoted market value \$122,549)	\$131,136	
Mining stocks at cost less depletion written off (quoted market value \$1,873,925)	<u>746,494</u>	877,630
Advance to Quebec Sturgeon River Mines Limited		274,629

Capital Assets

Mining properties (Note 1)		387,444
Preproduction and deferred development (Note 2)		1,265,740
Buildings, machinery and equipment less accumulated depreciation of \$1,002,498		<u>816,911</u>
		<u>\$4,333,215</u>

- LIABILITIES AND CAPITAL -

Current Liabilities

Accounts payable and accrued liabilities	\$	158,689
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Capital

Authorized 3,000,000 shares without par value		
Issued and fully paid 2,655,000 shares	\$2,655,000	
Less 97,256 shares held by The Coniagas Reduction Company Limited	<u>97,256</u>	
2,557,744 shares held by others	2,557,744	
Contributed Surplus	8,800	
Profit and Loss Account	<u>1,607,982</u>	<u>4,174,526</u>
		<u>\$4,333,215</u>

NOTES:

1. Mining properties in the Township of Lesueur are recorded at \$387,435, being the written down value determined by the Board of Directors in 1963. Other mining properties in good standing have been valued at a nominal amount of \$1.00 each.
2. No provision has been made for amortization of preproduction and deferred development expenditures.

On behalf of the Board:

M. J. Boylen

Director

C. S. Kennedy

Director

THE CONIAGAS MINES, LIMITED

STATEMENT OF MATERIAL CHANGES IN ITEMS ON THE BALANCE SHEET BETWEEN
DECEMBER 31st, 1964, and SEPTEMBER 30th, 1965.

CAPITAL

By Supplementary Letters Patent dated the 2nd day of July, 1965, the capital of the company was decreased from \$7,500,000.00 to \$3,000,000.00 by reducing the par value of each of the issued and unissued shares of the company from \$2.50 to \$1.00; and the 3,000,000 shares of the company with a par value of \$1.00 each resulting from the decrease were changed into 3,000,000 shares without par value. These changes have affected the item of "Capital" in the unconsolidated balance sheet and in the consolidated balance sheet as follows:-

Particulars	Unconsolidated Balance Sheet	Interest of The Coniagas Reduction Company Limited	Consolidated Balance Sheet
Issued shares	<u>2,655,000</u>	<u>97,256</u>	<u>2,557,744</u>
Value of \$2.50 par shares	\$6,637,500.00	\$ 243,140.00	\$ 6,394,360.00
Amount of reduction in par value	<u>3,982,500.00</u>	<u>145,884.00</u>	<u>3,836,616.00</u>
Value of \$1.00 par shares and of no par value shares	\$2,655,000.00	\$ 97,256.00	\$ 2,557,744.00

CONTRIBUTED SURPLUS

The reduction in capital created a contributed surplus of \$1.50 per share on the 2,655,000 shares issued, namely, \$ 3,982,500.00

In earlier years the book value of the company's original mining property at Cobalt, Ontario, was written off and charged to Profit & Loss Account, and is now transferred to Contributed Surplus Account pursuant to authority of a special resolution of the Board of Directors, adopted and passed on the 5th day of May, 1965, and approved and confirmed by an Annual and General Meeting of the Shareholders on the 25th day of May, 1965.

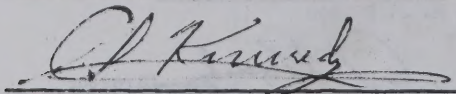
	<u>\$ 3,973,700.00</u>
Balance of contributed surplus	<u>\$ 8,800.00</u>


PROFIT AND LOSS ACCOUNT

The foregoing adjustments have affected the item "Profit and Loss (Deficit) Account" in the company's Balance Sheet and Statement of Profit and Loss as follows:

Particulars	Unconsolidated Balance Sheet	* Interest of The Coniagas Reduction Company Limited	Consolidated Balance Sheet
Balance at December 31st, 1965	Dr. \$2,049,975.88	Cr. \$ 198,294.58	Dr. \$1,851,681.30
Reversal of write off of the company's original mining property	Cr. <u>3,973,700.00</u>	Dr. <u>145,884.00</u>	Cr. <u>\$3,827,816.00</u>
	Cr. <u>\$1,923,724.12</u>	Cr. \$ 52,410.58	Cr. <u>\$1,976,134.70</u>

* The interest of the Coniagas Reduction Company Limited represents the excess of the par value over the cost of the shares of The Coniagas Mines, Limited held by it as an investment.


Director


Director

THE CONIAGAS MINES, LIMITED

and its wholly-owned subsidiary

The Coniagas Reduction Company Limited

Consolidated Statement of Profit and Loss
for the Nine Months ended September 30, 1965

Metal Revenue

Production at estimated net realizable value

less marketing expenses

Miscellaneous mine revenue

\$1,127,954

29,745

1,157,699

Operating Costs

Mining

\$615,618

Crushing

61,173

Milling

242,557

Supervision and general

226,954

1,146,302

Net mine operating revenue

11,397

Corporation taxes, mining fees and rentals

2,640

8,757

Interest and dividends on investments

7,554

16,311

Administration and financial expenses

17,972

Prospecting expenses

41,120

59,092

Net operating loss before depreciation

42,781

Depreciation

Buildings

71,131

Machinery and equipment

128,489

Additional re prior years

124,683

324,303

Loss on disposal of fixed assets

1,069

325,372

Net loss for the period

368,153

Balance, January 1 - Adjusted (Note 3)

1,976,135

Balance at credit, September 30

1,607,982

NOTE 3: See "Statement of Material Changes
in items on the Balance Sheet."

THE CONIAGAS MINES, LIMITED

SOURCE and APPLICATION OF FUNDS
CONSOLIDATED

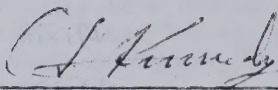
For the Period from January 1, 1965 to September 30, 1965


SOURCE:

Mine Production	\$ 1,127,954.
Miscellaneous Mine Revenue	29,745.
Interest and Dividends on Investments	7,554.
Short Term commercial notes matured	177,828.
Accrued Interest and Dividends collected (net)	4,538.
Reduction in Lead Concentrate Inventory	26,136.
" " Stores Inventory	39,647.
" " Accounts Receivable	1,983.
" " Cash	21,756.
	<u>\$ 1,437,141.</u>

APPLICATION:

Mine Operating Costs	\$ 1,146,302.
Taxes, Fees and Rentals	2,640.
Administration	17,972.
Exploration and Prospecting	41,120.
Increase in Metal Settlements outstanding	138,692.
" " Prepaid Expenses	9,006.
Reduction in Accounts Payable	58,681.
Net Additions to Buildings, Machinery and Equipment	22,728.
	<u>\$ 1,437,141.</u>


Director


Director

THE CONIAGAS MINES, LIMITED

(INCORPORATED 1908)

EXECUTIVE OFFICE

SUITE 903 - 330 BAY STREET

TORONTO 1, CANADA

TEL. No. 363-2485

TLX. No. 02-2772


M. J. BOYLEN
CHAIRMAN OF THE BOARD

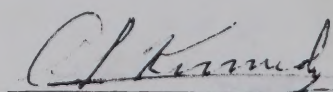
C. S. KENNEDY
PRESIDENT

November 19, 1965.

This is to certify that there are no material changes in the company's Balance Sheet between September 30, 1965 and this date.

THE CONIAGAS MINES, LIMITED


Director


Director

SCHEDULE "A"

THE CONIAGAS MINES, LIMITED

and

THE CONIAGAS REDUCTION COMPANY LIMITED

Consolidated Statement of Investments
September 30, 1965 and November 11, 1965

Principal or No. of Units	Security	Book Value Sept 30/65 & Nov 11/65	Unit Market Value Nov 11/65	Total Market Value
<u>Bonds</u>				
\$ 5,000	C.P.R. 4% Conv. Bonds - Dec 1, 1969	\$ 5,000.00	94 1/4	\$ 4,712.50
7,500	T. Eaton Acceptance 4 3/4% - Mar 1, 1974	7,448.44	93 1/3	6,999.75
10,000	T. Eaton Realty Co. 5% - Mar 15, 1973	10,000.00	95	9,500.00
87,000	Industrial Acceptance Corp. 5 1/2% - July 2, 1973	87,000.00	95	82,650.00
20,000	B.C. Electric 4 1/2% - Aug 1, 1986	20,000.00	85	17,000.00
<u>\$129,500</u>		<u>\$129,448.44</u>		<u>\$120,862.25</u>
<u>Common Stocks</u>				
1,000	Barnat Mines Limited	\$ 253.60	.70	\$ 700.00
203,217	Beauchance Mines Limited	1.00	---	---
Pooled 15,093)	Big Nama Creek Mines Limited	6,259.00	.53	8,629.99
Free 16,283)	Cochénour-Willans	1,240.00	3.65	1,825.00
500	Dome Mines Limited	4,387.50	40.00	24,000.00
600	First Maritime Mining Corp.	388,400.00	5.35	1,417,750.00
265,000				
Pooled 5,296 1/2)	K.B. Mining Company Ltd. *	2.00	.08	1,645.88
Free 20,573 1/2)	Kerr-Addison	975.00	8.30	4,150.00
500	Macassa Mines Ltd.	3,896.55	2.52	5,040.00
2,000	Maylac Mines	163.71	---	---
4,092	McMarmac Gold Mines	13.00	.08	8.00
100	Newnorth Gold Mines	1.00	.08	1,445.04
18,063	Nudulama Mines Ltd.	1.00	.10	175.00
1,750	Que. Sturgeon River Mines Ltd.	340,892.02	.43	408,505.59
950,013	Gan Copper Mines Ltd.	1.00	.02	50.00
2,500	Securities at nominal values	8.00	---	---
---		<u>\$746,494.38</u>		<u>\$1,873,924.50</u>
Total		<u>\$875,942.82</u>		<u>\$1,994,786.75</u>

ENGINEER'S REPORT

S. E. MALOUF

CONSULTING GEOLOGIST

October, 1965

SUMMARY REPORT

on

THE CONIAGAS MINES LIMITED

The company has operated a zinc, silver, lead mine in the Bachelor Lake area, Quebec, midway between Chibougamau and Val D'or since April 19, 1961. The plant is serviced by the C. N. R. railway and an all weather gravel highway connecting through to the Chibougamau Camp. The mill capable of handling 500 tons per day, has processed 501,269 tons to September, 1965, at an average rate of 311 tons per day.

The operation is currently on deisel power with hydro power to the area being considered by the Quebec Hydro Commission. Ore reserves as per the accompanying 1964 annual report totalled 283,735 tons grading 8.25% zinc, 3.58 ounces in silver and 0.50% lead as of December 31, 1964. These reserves, largely drill indicated, have been developed during the current year to the proven class and added to somewhat with some moderate grade improvement. An increased rate of extraction is anticipated.

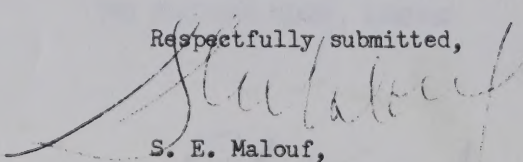
Development along the Main ore zone has been over triple its original strike length and twice its original depth in the past two years. This work has contributed majorally to an understanding of the mode of ore occurrence. An appreciation of the fold pattern and the influence of faulting has led to the discovery of what appears to be the offset portion of the main ore occurrence to the south west of the mine area. This new zone has been developed to the south west on the 3rd level and is still open 1000 feet south and west of the shaft. The zone starts below a main control fault between the 2nd level and 3rd level and has been traced by down drilling to the 4th level. Plans are being made to expose and develop the zone with long drives out from the 4th and 5th level workings and probably on each of the four lower levels.

Detailed surface exploration and a regional geological study including airborne magnetometer and electro magnetic data have encouraged the company to increase its holdings from the original 1103 acres acquired from Dome Mines, Ltd., to 10,000 acres in Leseur and Nelligan Townships. A method of geophysical surveying has been developed tailored to the type of mineralization in the mine area. A series of anomalies have been outlined in the work completed to date. These occur in areas of favourable geological environment and a program of drilling has been initiated with two diamond drills on a program to involve an estimated 20,000 feet of surface drilling. Lateral work underground to establish length and depth continuity of the new ore occurrence to the south and west of the Main Mine workings has been considered as exploration involving accelerated expenditures over and above that on exploration from current operations.

Recommended expenditures:-

Surface Drilling 20,000 feet at 4.00/ft. incl. supervision	\$ 80,000
Underground development on new South Zone 6,000 feet @ \$30/ft. (direct costs)	180,000
Underground diamond drilling new South Zone 30,000 feet @ 2.00/ft. (direct costs)	60,000
TOTAL	<u>\$ 320,000</u>

Respectfully submitted,


S. E. Malouf,
Consulting Geologist

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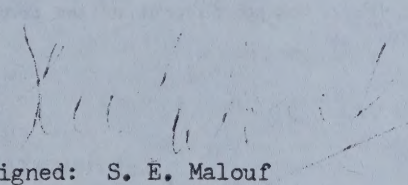
S. E. MALOUF
CONSULTING GEOLOGIST

CERTIFICATE OF WORTHINESS

I, S. E. Malouf, with business and residence in the town of Islington, in the Province of Ontario, do hereby certify that:

1. I am a consulting geologist.
2. I am a graduate of the University of Saskatchewan and McGill University: I hold the degrees of B.Sc. 1934, M.Sc. 1936, Ph.D. 1941.
3. I am a member of the C.I.M.M. the A.I.M.E. and the Geological Association of Canada.
4. I have practised my profession for 33 years.
5. I have been familiar with the Bachelor Lake area since 1928 and have been visiting the Coniagas Mines almost monthly since 1962.
6. I possess no interest and do not anticipate receiving any interest in the properties, shares or securities of Coniagas Mines Ltd.

November 3, 1965,
Islington, Ontario


Signed: S. E. Malouf

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	The present directors are believed to be in such position, dependent upon receipt of proxies in sufficient numbers from shareholders
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	See Schedule "A" on page 7.
18. Brief statement of any lawsuits pending or in process against company or its properties.	None
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	There are no other material contracts
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. The shares covered by the rights offering and the standby underwriting will be in the course of primary distribution to the public.

DATED November 16th, 1965

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"M.J. Boylen" [Signature] The Coniagas Mines, Limited
"C.S. Kennedy" [Signature] CORPORATE SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

Houston and Company Limited
"R.H. Tetlaw" [Signature]
"H. Gibson" [Signature]